GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:1257
ANSWERED ON:30.11.2005
CAG REPORT ON CIL
Jha Shri Raghunath

Will the Minister of COAL be pleased to state:

(a) whether the management of the Coal India Limited has caused financial loss worth Rs. several thousands crores ;

(b) if so, the details thereof and the reasons therefor ;

(c) the number of cases that the Comptroller and Auditor General (C&AG) brought to the notice of the Government and the action taken by the Government on each of these cases ;

(d) whether the C&AG in its report Nos.3 of 2005 (PSUs) has brought out the unfruitful expenditure of Rs.9198 crores in the matter of installing a captive power plant for the supply of power to Moonidh Washery ;

(e) whether it has failed to install the power plant; and

(f) if so, the action taken or proposed to be taken against the guilty officials?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYANA RAO)

(a) No, Sir.

(b) Does not arise in view of reply to (a) above.

(c) The Comptroller and Auditor General (C&AG) in its Reports No.2, 3 & 4 of 2005 (Commercial) have reviewed the accounts and performance of the Public Sector Undertakings including Coal India Limited(CIL) and its subsidiaries and made their observations thereon. 17 and 10 paras respectively in Reports No.2 and 3 pertain to CIL and its subsidiaries. Chaptrers III and IV in Report No.4 of 2005 pertain to BCCL and WCL respectively.The action taken notes on these audit paras will be submitted to C&AG/Committee on Public Undertakings in due course.

(d)&(e) In Para 4.1.1 of Report No.3 of 2005, CAG has pointed out unfruitful expenditure of Rs.91.18 crore on the installation of Captive Power Plant(CPP) at Moonidih washery. The fact is that an agreement was signed between CIL & BHEL in April, 1987 for installation and commissioning of 2x10 MW FBC boiler based CPP at a total expenditure of Rs.92.21 crore. The work was scheduled to be completed by November, 1990. BHEL failed to accomplish the job due to various factors. BHEL did not turn up to complete the left over jobs and a sum of Rs.9.843 crore has been kept withheld due to this reason.

(f) The matter is under examination.